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U.S. BANKRUPTCY COURT
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May 23, 2014

The Honorable Steven W. Rhodes
United States Bankruptcy Court
Eastern District of Michigan
Southern Division
211 W. Fort Street, Suite 1800
Detroit, Michigan 48226

Re: In re City of Detroit, Michigan, Chapter 9 Case No. 13-53846

Dear Judge Rhodes,

As you know, Squire Sanders (US) LLP is counsel to Martha E. M. Kopacz, the Court Appointed Expert (the "Expert") in the above-referenced case. We write regarding the Expert's access to certain information necessary to the fulfillment of her duties. We bring these matters to your attention both because they impact the Expert's ability to fulfill her duties in a timely manner and because your Honor currently is considering a request by the Objector Members of the Discovery and Trial Efficiency Committee to modify the Plan of Adjustment schedule for discovery and trial. The Expert's concerns may bear on the Court's consideration of that request.

On April 23, 2014, the day after her appointment, the Expert met with Ernst & Young ("E&Y"). During that meeting, the Expert requested that E&Y provide her with the fully functioning financial models (the "E&Y Model") supporting the City's Plan of Adjustment. It was, and remains, the belief of the Expert that without access to the model in native Microsoft Excel format (i.e., with the formulas and calculations that drive the financial values in the model), she will be unable to adequately analyze and assess the feasibility of the Plan, or compare the City's assumptions and calculations with other alternatives.

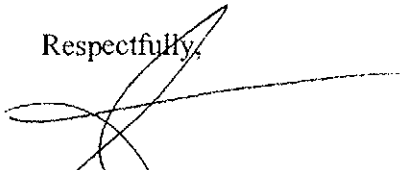
E&Y refused this request based on a firm "policy" against sharing such versions of financial models. As a result, the Expert attempted to fulfill her duties using the "values only" version of the E&Y Model. However, despite the best efforts of the Expert and her team to limit themselves to the values only version, she concluded in early May that it was not practical to continue to attempt to evaluate Plan feasibility without the native Excel version of the E&Y Model. Since then, she has attempted to obtain such version of the E&Y Model from the City and E&Y to no avail. Squire Sanders does not believe that E&Y's policy against sharing the functioning model can be reconciled with potentially applicable discovery authority (for example, the obligation under FRCP 34(b)(2)(E) to provide electronically stored information in a

reasonably useable form), modern practice for production of Microsoft Excel spreadsheets, or the particular needs of the Expert's court-appointed role. Accordingly, the Expert seeks the Court's guidance in resolving this matter.

In addition, the Expert has been unable to obtain from the City documentation that summarizes the post-confirmation annual financial plan for the City, inclusive of the Plan commitments and the Restructuring and Reinvestment Initiatives ("RRIs") contemplated by year. The information provided to date by the City is inconsistent and does not take into account certain more recent information that impacts the RRIs. The Expert has requested additional documentation that would allow her to evaluate the various Plan projections, the RRIs and the City's Triennial Budget, for internal consistency as well as overall feasibility of the Plan. To date, the City has not provided the requested additional documentation.

The Expert is concerned that without the fully functioning E&Y Model and the additional documentation noted above, she will be unable to fulfill her duty to provide an expert opinion on feasibility, let alone by June 24, 2014. As I was preparing to send this letter to your Honor, the Expert advised us that E&Y represented today that it would provide the fully functioning E&Y Model by the end of the day today. Even if the Expert receives the fully functioning E&Y Model today, it is uncertain that there is sufficient time to complete her expert report by June 24, 2014. While the Expert had hoped to avoid the need to seek the intervention of the Court, and while the Expert will continue to attempt to resolve these matters with the City and E&Y, the Expert respectfully requests assistance and guidance from the Court in resolving these matters as expeditiously as possible.

Respectfully,



Stephen D. Lerner
Squire Sanders (US) LLP
Counsel to the Court Appointed Expert

cc: Martha E. M. Kopacz
Heather Lennox, Esq.
Scott E. Kane, Esq.